UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

| COENERGY TRADING COMPANY | FE DOCKET NO. 00-50-NG |
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ORDER GRANTING BLANKET AUTHORIZATION TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1613

JULY 20, 2000

I. <u>DESCRIPTION OF REQUEST</u>

On July 11, 2000, CoEnergy Trading Company (CTC), filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{1/2} and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting that its recently expired export authorization be renewed granting blanket authorization to export up to 100 billion cubic feet of natural gas to Canada over a two-year term beginning on the date of first export delivery.^{2/2} CTC, a natural gas marketer, is a Michigan corporation with its principal place of business in Detroit, Michigan. This gas would be exported under short-term and spot market transactions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by CTC has been evaluated to determine if the proposed export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by CTC to export natural gas to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. CoEnergy Trading Company (CTC) is authorized to export up to 100 billion cubic feet of natural gas to Canada over a two-year term beginning on the date of first export delivery. This gas may be exported at any United States/Canada border point.

^{1/ 15} U.S.C. § 717b.

²/ CTC's previous blanket export authorization, granted by DOE/FE Order No. 1364 on February 27, 1998 (1 FE $\sqrt{1,533}$), expired on February 29, 2000.

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B. Within two weeks after exports begin, CTC shall provide written notification to the

Office of Natural Gas & Petroleum Import & Export Activities of the date that the first export of

natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, CTC shall file with

the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each

calendar quarter, reports indicating whether exports of natural gas have been made during that

quarter. Quarterly reports must be filed whether or not initial deliveries have begun. If no

exports have been made, a report of "no activity" for that calendar quarter must be filed. If

exports have occurred, CTC must report monthly the following: (1) total volumes in Mcf;

the average purchase price of gas per MMBtu at the international border; (3) the name of the

seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the

agreement(s); (6) the name of the U.S. transporter(s); and (7) the point(s) of exit. [OMB No.:

1901-0294]

D. The first quarterly report required by Ordering Paragraph C of this Order is due not

later than October 30, 2000, and should cover the period from the date of this Order until the end

of the third calendar quarter September 30, 2000.

E. The notification and reports required by Ordering Paragraphs B & C of this Order shall

be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy,

Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C.,

20585.

Issued in Washington, D.C., on July 20, 2000.

John W. Glynn

Manager, Natural Gas Regulation Office of Natural Gas & Petroleum Import & Export Activities (2)

Office of Fossil Energy